



# THE ATTORNEY GENERAL OF TEXAS

AUSTIN 11, TEXAS

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ATTORNEY GENERAL

March 16, 1954

Hon. J. M. Falkner  
Banking Commissioner of Texas  
Austin 14, Texas

Letter Opinion No. MS-121

Re: The necessity of an amendment to a state bank's articles of association where the bank moves to another address within the same city, and the authority of the Banking Commissioner to prevent such a move.

Dear Mr. Falkner:

You have requested the opinion of this office concerning the proposed move of the Citizens State Bank of San Antonio from its present downtown address to a suburban location within the corporate limits of the City of San Antonio. Your letter indicates that the present charter of the Citizens State Bank does not designate a specific location other than the City of San Antonio, Bexar County, Texas.

The two questions on which you request our opinion are:

"1. Does it require an amendment to the articles of association on the part of the bank to effect this move?

"2. If the above question is answered in the negative, does the Banking Commissioner have any legal powers to prevent the proposed move?"

Article 342-304, the Texas Banking Code of 1943, requires that the articles of association of a state bank shall contain, among other things, "the city or town and the county of its domicile."

Article 342-312 reads in part as follows:

"Subject to the provisions of the Code, any state bank may amend its articles of association for any lawful purpose.

". . . provided however, . . . no amendment changing the domicile of any state bank to another city or town shall be effective until approved by the State Banking Board in the manner provided for the approval of an original application for charter." (Emphasis added.)

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The banks of this state are subject to the control and supervision of the Legislature acting through the Banking Commissioner. The Banking Code, pertinent parts of which have been set out above, defines the duties which devolve on a bank and the restrictions which the Legislature has put on a bank operation.

As indicated, the Banking Code directs that a bank must show in the articles of association, "the city or town and the county of its domicile" -- nothing more with regard to domicile. Therefore, a move as here contemplated would need no change in the articles of association to keep the charter consistent with actual practice so long as no specific address was given originally. It follows that the Banking Commissioner would have no power to prevent the proposed move.

The holding here expressed comports with the Banking Department's past practice as supported by the opinions of counsel for that department.

Yours very truly,

JOHN BEN SHEPPERD  
Attorney General

By J. Fred Jones  
Assistant

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